



Sept. 30, 2004

TO: Tracie Billington
DWR Division of Planning & Local Assistance

FROM: Mark Stadler
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RE: Comments on draft Prop. 50, Chapter 8 guidelines

Sent via email to tracieb@water.ca.gov

The San Diego County Water Authority welcomes this opportunity to comment on the draft guidelines for the Integrated Regional Water Management Grant Program (Proposition 50, Chapter 8) issued on August 16, 2004 by the Department of Water Resources and the State Water Resources Control Board of Water. The Water Authority is the public water wholesaler for San Diego County. We work through our 23 member agencies to provide a safe, reliable water supply to 3 million San Diego County residents.

Our comments concerning the draft Chapter 8 guidelines are as follows:

1. **General comment:** Due to the high level of interagency coordination required to apply for the IRWM Implementation Grants, we recommend that the due date for Step 1 application submittals be pushed back to April of 2005, versus the tentative date of February 2005.
2. **General comment:** We understand that the Proposition 50 bond law states that while DWR may waive the requirement that an agency must have a completed IRWM Plan to get Chapter 8 funding, the SWRCB may not waive it. It is clear that, given the complexity of developing an IRWM Plan to meet the Chapter 8 standards, many agencies will not complete and adopt such a plan in time to meet the deadlines for Phase 1 funding. These agencies will not be eligible for SWRCB's half of the funding, giving an undue advantage to those few agencies fortunate enough to have a plan in place. If there is anything that can be done to make the requirements consistent in allowing the IRWM Plan requirement to be waived, please do so.
3. **Section IV.C. Labor Code Compliance (page 9):** It requires the body awarding a public works contract to adopt and enforce a labor compliance program. Since a

majority of public agencies and non-profits in the state do not have Labor Code Compliance programs in place, the state should consider waiving this requirement if an agency shows it is engaged in developing a Labor Compliance Program.

4. **Section C.3.H. Economic Analysis (page 29):** Applicants will be required to enumerate the economic benefits related to “water supply and water quality derived from the proposed project that accrue to those parties directly involved in the project”. The calculations required to indicate the direct water supply and water quality benefits to be derived from the implementation of any one project are quite complex. Quantification of the regional water supply and water quality benefits that also will occur may be difficult to quantify. We suggest that the weighting factor assigned to this criteria be reduced to one.
5. **Appendix D. Definitions. Eligible Costs, i. (page 33):** The last sentence appears incomplete.
6. **Section III. B. Groundwater Management Plan Compliance (Page 8):** The following statement is made in the draft guidelines: “For groundwater management and recharge projects..., the applicant must demonstrate that they either have an approved Groundwater Management Plan in compliance with CWC 10753.7, or are in the process of updating their plan to meet the requirements of CWC 10753.7.” However, according to the Water Code (Section 79562.5(e)), “...the board and the department shall give preference to eligible projects in areas subject to a groundwater management plan that meets the requirements of Section 10753.7, or that includes the development of a groundwater management plan as a project component.” The Chapter 8 guidelines should accurately reflect the Water Code by allowing applicants to include development of a groundwater management plan as a component of the project. For example, development of a groundwater management plan could be the first step in implementing a groundwater project. The management plan would be a project component and the project would still be given preference.
7. **Section V.B. Applicant Assistance Workshops (page 11):** This section includes a discussion of workshops for preparing applications. Given the fact that very few agencies have integrated regional water management plans, we suggest that the SWRCB and DWR offer a workshop specifically on preparation of such plans (just as DWR holds workshops of preparation of Urban Water Management Plans). Agencies are going to invest a lot of time and money on these plans and we would appreciate knowing that in the end the plans are correct.
8. **Urban Water Management Plan -- Section II.G, “Implementation Grant Solicitation (page 7), and Appendix C.1.B, “Implementation Grants” (page 21):** Much of the information required in the IRWM plans may be taken from agencies’ UWMPs, thus reducing the amount of time and money spent by applicants. The schedule should allow for agencies to complete their UWMP updates (due in December 2005) and utilize them as a basis for the IRWM Plans.

It is logical that an agency should complete its UWMP first, as it is one of the foundations of an IRWM.

9. **Appendix A, Section H, Impacts and Benefits (page 14):** The standards state that the IRWM Plan should “include an evaluation of potential impacts within the region and in adjacent areas from Plan implementation.” Describing the potential impacts could be a tremendous task and the Water Code does not require this level of evaluation for IRWM Plans. CEQA compliance will require applicants to evaluate the environmental and social impacts of the proposed project(s). This is the correct place for such an evaluation to occur. Please refer to Appendix C, which lists the elements to be included in the Implementation Grant and includes preparation of a plan for compliance with all applicable environmental requirements. If the board and department want impacts to be evaluated in the IRWM Plan, they need to be much more specific as to what needs to be addressed.
10. **Appendix C, Implementation Grants, Adopted IRWM Plan and Proof of Formal Adoptions (page 21):** The guidelines state that “an applicant may submit an IRWM Plan that is under development and will be adopted by January 1, 2007. Such plans will be evaluated using the same criteria as existing adopted plans.” The Water Code (Section 79562.5 (c) does not state that a plan under development will be evaluated using the same criteria as an adopted plan. The law allows you to submit a plan under development as long as the project fits into achieving the integrated regional water management plan objectives. An applicant should therefore not be penalized for submitting a plan under development.
11. **General comment:** At the grant workshops hosted by DWR and SWRCB, agency staff clearly stated that although they could not provide an in-depth review of a proposed draft IRWP Plans before it is submitted, they could provide general comments and policy direction regarding the general content and composition of draft IRWM Plans. We would appreciate and support this type of agency staff input and assistance in order to best meet the state’s requirements for Chapter 8.